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November 24, 2021

Christopher Lawrence
Office of Electricity
OE-20
United States Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

VIA ELECTRONIC SUBMISSION

RE: CHPE LLC, OE Docket No. PP-481-1

Application of CHPE LLC for Amendment to Presidential Permit

Dear Mr. Lawrence:

In accordance with Executive Order 10485, as amended by Executive Order 12038, and the United States Department of Energy's (DOE) implementing regulations, 10 C.F.R. § 205.320 *et seq.*, please find enclosed for filing in the above-captioned proceeding an original and two (2) copies of the *Application of CHPE LLC for Amendment to Presidential Permit* (Application). CHPE LLC is concurrently submitting the filing fee of \$150 to Pay.gov.

As discussed more fully in the Application, CHPE LLC respectfully requests that Article 3 of Presidential Permit No. 481-1 be amended to clarify that the Champlain Hudson Power Express Project (Project) is authorized to deliver 1,250 MW at the point of interconnection at the Astoria Annex Substation. Revising Article 3 in this manner reflects the fact that the Project will withdraw approximately 1,298 MW from the Hertel Substation in Canada to account for transmission line losses. The withdrawal of approximately 1,298 MW from the Hertel substation, and the associated injection of 1,250 MW at the Astoria Annex, was reflected in the New York Independent System Operator's *Interconnection System Reliability Study for the NYISO Q887: CH Uprate Project* previously reviewed by DOE.

BAKER BOTTS LLP

Please do not hesitate to contact me if you have any questions regarding this matter.

Sincerely,	
/s/ Jay Ryan	
Jay Ryan	

cc: Don Jessome, TDI Bill Helmer, TDI Bob Harrison, TDI Josh Bagnato, TDI

UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF ELECTRICITY

CHPE LLC

Docket No. PP-481-1

APPLICATION OF CHPE LLC FOR AMENDMENT TO PRESIDENTIAL PERMIT

November 24, 2021

UNITED STATES OF AMERICA

BEFORE THE DEPARTMENT OF ENERGY

OFFICE OF ELECTRICITY

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CHPE LLC)	OE DOCKET NO. PP-481-1	
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APPLICATION OF CHPE LLC FOR

AMENDMENT TO PRESIDENTIAL PERMIT

Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. § 824(a)(e), Executive Order 10485 as amended by Executive Order 12038, and applicable regulations of the United States Department of Energy (DOE), 10 C.F.R. §§ 205.320 *et seq*, CHPE LLC respectfully files this application with the Office of Electricity to amend Presidential Permit No. 481-1 (PP-481-1).

I. BACKGROUND

CHPE LLC is the permittee of a Presidential Permit authorizing the construction, operation, maintenance, and connection of the Champlain Hudson Power Express Project (Project). The Project is a high-voltage direct current (HVDC) underground and underwater merchant transmission system that will cross the United States-Canada international border underwater near the Town of Champlain, New York, extend approximately 339 miles south through New York State, and interconnect to the Astoria Annex Substation located in Queens, New York.

On July 21, 2020, DOE issued Presidential Permit No. 481 to CHPE LLC.¹ On September 25, 2020, CHPE LLC filed an application with the Office of Electricity requesting that DOE amend the Presidential Permit to allow for certain changes to the permitted route. While this application for amendment was pending, CHPE LLC filed a supplement to the amendment application on January 15, 2021 requesting that DOE also amend Presidential Permit No. 481 to allow for an increase in the Project's proposed capacity from 1,000 MW to 1,250 MW (Supplemental Request). On April 30, 2021, DOE issued Presidential Permit No. PP-481-1 amending CHPE LLC's permit to incorporate the proposed revisions to the Project route and authorizing the increase in the Project's capacity.

II. REQUESTED MODIFICATION TO ARTICLE 3 OF PP-481-1

In its Supplemental Request for authorization to increase the Project's capacity from 1,000 MW to 1,250 MW, CHPE LLC noted that it had "submitted an application request (NYISO Queue Position #887) for an additional 250 MW injection at the Point of Interconnection at the New York Power Authority's Astoria Annex 345 kV substation." In response to the interconnection request, the New York Independent System Operator (NYISO) completed an "Interconnection System Reliability Impact Study for the NYISO Q887: CH Uprate Project" (Interconnection Study). NYISO forwarded the Interconnection Study directly to DOE. To assess the reliability impacts of injecting 1,250 MW at the Astoria Annex Substation, the Interconnection Study modeled 1,298 MW of Project withdrawal at the Hertel Substation in Canada to account for expected transmission line losses.

¹ On October 6, 2014, DOE issued Presidential Permit No. 362 to Champlain Hudson Power Express, Inc. (CHPEI), an affiliate of CHPE LLC. Presidential Permit No. 362 authorized CHPEI to construct, operate, maintain, and connect the Project, which was initially proposed to transmit 1,000 MW. Presidential Permit No. 481 was subsequently issued to CHPE LLC on July 21, 2020 to reflect a change in the Project's upstream owners and a transfer of Project assets

from CHPEI to CHPE LLC.

² Supplemental Request at 6.

In response to CHPE LLC's Supplemental Request, Article 3 of PP-481-1 states, in part, that the "maximum non-simultaneous rate of transmission over the permitted facilities shall not exceed 1,250 MW." Article 3, however, could be interpreted to limit the Project's authorized capacity such that the Project would not be able to withdraw approximately 1,298 MW at the Hertel Substation in order to inject 1,250 MW at Astoria Annex Substation (which is how NYISO assessed the Project in the Interconnection Study reviewed by DOE). CHPE LLC, therefore, requests that DOE amend the Presidential Permit to explicitly state that the Project is authorized to inject 1,250 MW at the point of interconnection at the Astoria Annex Substation. Revising the permit as requested will account for anticipated line losses and is consistent with the reliability analysis conducted by NYISO. Moreover, revising the Presidential Permit in this manner would be consistent with other recently issued Presidential Permits that account for transmission line losses.³

CHPE LLC's requested revision to Article 3 of the Presidential Permit is supported by the reliability analyses previously undertaken by DOE and NYISO, and would have no impact on DOE's prior environmental analysis of the Project.⁴ For these reasons, and to support the anticipated financial closing of the Project in Q1 2022, CHPE LLC respectfully requests that DOE

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³ See e.g., <u>ITC Lake Erie Connector</u> (PP-412) at Article 3 ("Furthermore, the facilities described in Article 2 shall be operated in such a manner that the scheduled rate of transmission of electric energy north to south entering the United States over the facilities operated herein shall not exceed 1,000 MW for both summer and winter periods into the Penelec Erie West Substation). The permit noted that the "proposed project would cause a 1,042 MW withdrawal from the Independent Electric System Operator of Ontario system over the Lake Erie Connector and a 1,000 MW injection into the PJM system. Id. at 2. See also, <u>NECEC Transmission LLC</u> (PP-438) at 3 ("To account for transmission line losses, the actual amount of power that would be transmitted across the Canadian border would be higher. CMP estimated the amount as approximately 1,250 MW. Therefore, although the NECEC project is expected to deliver 1,200 MW of electric power into the New England Control Area, the Presidential permit should account for the higher amount that would be transmitted across the border.)

⁴ CHPE LLC notes that the requested revision to the Presidential Permit does not change or otherwise impact the information previously submitted to DOE regarding the applicant or the bulk-power system.

issue an amended Presidential Permit with the requested clarification on or before January 24, 2022.

III. <u>CONCLUSION</u>

WHEREFORE, for the reasons stated herein, the Applicant respectfully requests that DOE amend PP-481-1, on or before January 24, 2022, to clarify that the Project is authorized to deliver 1,250 MW into the Astoria Annex Substation.

Respectfully submitted,

/s/ Jay Ryan

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November 24, 2021

Verification Statement

The undersigned attests that he is an officer of CHPE LLC and that he has read and has knowledge of the matters set forth in this application, and that the facts and representations set forth in said application are true and correct to the best of his knowledge.

By: William S. Kelmin

Executive Vice President and General Counsel

Date: 1/23/2021

Sworn to before me this 23rd day of November, 2021.

Notary Public

TRACIE A. CHASE

Notary Public, State of New York

Qualified in Albany Co. No. 01CH4989574

My Commission Expires 12920